



Bart L. Graham  
Commissioner

State of Georgia  
**Department of Revenue**

Frank G. Connell  
Director

Suite 15300  
1800 Century Boulevard  
Atlanta, Georgia 30345  
(404) 417-2100

**NOTICE**

**(Notice ATD 2010-5)**

**RE: Proposed Rules to the Department of Revenue, Alcoholic Beverages,  
Chapter 560-2-5.**

**TO ALL INTERESTED PERSONS AND PARTIES:**

In compliance with O.C.G.A. § 50-13-4, the Georgia Department of Revenue gives notice that it proposes to amend Chapter 560-2-5 of the Rules and Regulations of the State of Georgia by proposing:

- 560-2-5-.01, entitled "Advertising Material; Assessments for Advertising."
- 560-2-5-.02, entitled "Unlawful Shipments; Seizure; Assessment."
- 560-2-5-.03, entitled "Carriers; Bills of Lading."
- 560-2-5-.04, entitled "Damaged, Lost or Stolen Goods; Notification."
- 560-2-5-.05, entitled "Correct Brand Labeling; Private Brand Label. "
- 560-2-5-.06, entitled "Registration of Representatives."
- 560-2-5-.07, entitled "Manufacturer Representatives Authorization to Contact Wholesalers and Retailers."
- 560-2-5-.08, entitled "Designation of Sales Territories."
- 560-2-5-.09, entitled "Registering Additional Brand Labels."
- 560-2-5-.10 entitled "Changing Brand or Territory Designations."
- 560-2-5-.11, entitled "Allocation of Designated Brands."

Attached with this notice are exact copies and synopses of the proposed Rules. The proposed Rules are being adopted under the authority of O.C.G.A. §§ 3-2-2, 3-2-6, 3-2-11, 3-2-32, and 3-4-153.

The Department of Revenue shall consider the adoption of the above-referenced proposed Rules at 10:00 a.m., on Monday, March 29, 2010 in

Suite 15200 of the Department's headquarters at 1800 Century Blvd. NE, Atlanta, GA 30345-3205.

The Department must receive all comments regarding the above-referenced proposed Rules from interested persons no later than 10:00 a.m. on Monday, March 29, 2010.

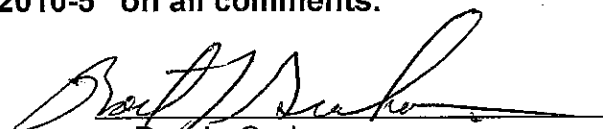
Written comments must be sent to: Commissioner, Georgia Department of Revenue, 1800 Century Blvd. NE, Suite 15300, Atlanta, GA 30345-3205.

Electronic comments must be sent to [regcomments@dor.ga.gov](mailto:regcomments@dor.ga.gov).

Facsimile comments must be sent to (404) 417-6651.

**Please reference "Notice Number ATD 2010-5" on all comments.**

Dated: February 22, 2010

  
Bart L. Graham  
Commissioner  
Department of Revenue

# **SYNOPSIS**

## **RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION**

### **CHAPTER 560-2-5 MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

#### **560-2-5-.01 Assessments for Advertising – Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides that no assessment or surcharge may be made for advertising purposes.
- This Rule does not prohibit charging fair market value for advertising which is requested.
- This Rule provides for changes in the Code
- This Rule was adopted in 1982.

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.01 Advertising Material; Assessments for  
Advertising - Manufacturers, Shippers, Importers  
& Brokers.**

(1) No Manufacturer, Shipper, Importer, or Broker shall make any assessment or surcharge against any Wholesaler on the purchase of Alcoholic Beverages, or otherwise, for advertising purposes.

(a) This does not prohibit charging for advertising which is voluntarily requested and for which a fair market value is charged.

(2) No licensed Retailer or Retail Consumption Dealer shall accept from a Wholesaler, directly or indirectly, any free goods or free merchandise, except standard Manufacturer, Shipper, Importer, or Broker advertising material, nor shall any licensed Retailer accept such advertising material on consignment.

Authority: O.C.G.A. §§ 3-2-2, 3-4-26, 3-6-25.1.

**SYNOPSIS**

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

**560-2-5-.02 Unlawful Shipments; Seizure; Assessment -  
Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides that alcoholic beverages shipped into or sold within Georgia that is not in compliance with the provisions of the Georgia Alcohol Beverage Code, shall be deemed contraband.
- This Rule provides for the procedure and sanctions taken by the Commissioner when such contraband is seized.
- This Rule provides for grammatical changes.
- This Rule provides for changes in the Code.
- This Rule was adopted in 1982.

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.02 Unlawful Shipments; Seizure;  
Assessment - Manufacturers, Shippers, Importers  
& Brokers.**

(1) Any and all Alcoholic Beverages shipped into or sold within Georgia by any Manufacturer, Shipper, Importer, or Broker, that is not in compliance with the provisions of this Act or the provisions of the regulations promulgated pursuant to the Code, shall be deemed contraband and shall be seized by agents of the Commissioner and any law enforcement agent in Georgia and disposed of according to the Act.

(2) Any Manufacturer, Importer, agent, Shipper or Broker of contraband Alcoholic Beverages, shall pay the full amount of tax as assessed to Georgia as determined by the Commissioner on Alcoholic Beverages shipped or sold in violation of the laws.

(3) Any Shipper may be required to appear before the Commissioner to show cause why the Shipper's license to ship into or within Georgia should not be revoked or suspended, have its bond forfeited, or both.

Authority: O.C.G.A. §§ 3-2-2, 3-2-33 and 3-2-35.

# **SYNOPSIS**

## **RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION**

### **CHAPTER 560-2-5 MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

#### **560-2-5-.03 Common Carriers: Bills of Lading - Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides that any common carrier transporting alcoholic beverages into Georgia shall submit bills of lading to the Commissioner.
- This Rule provides for changes in the Code.
- This Rule was adopted in 1982.

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.03 Carriers: Bills of Lading -  
Manufacturers, Shippers, Importers & Brokers.**

(1) Every Carrier transporting Alcoholic Beverages into Georgia shall submit bills of lading to the Commissioner covering all such shipments.

(2) Bills of lading shall be filed monthly on or before the fifteenth (15th) day of the month subsequent to the month of shipment along with Form ATT-148.

Authority: O.C.G.A. §§ 3-2-2 and 3-3-27.1.



**SYNOPSIS**  
**RULES**  
**OF**  
**DEPARTMENT OF REVENUE**  
**ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5**  
**MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

**560-2-5-.04 Damaged, Lost or Stolen Goods; Notification -  
Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides that any ~~beverage-alcohol~~ alcoholic beverages being transported into, through or within Georgia that is damaged, destroyed, lost, or stolen shall immediately be reported to the Commissioner.
- This Rule provides for grammatical changes.
- This Rule provides for changes in the Code.
- This Rule was last amended in 2006.

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.04 Damaged, Lost or Stolen Goods;  
Notification - Manufacturers, Shippers, Importers  
& Brokers.**

(1) Should any Alcoholic Beverages that are en-route to, carried through, or carried within Georgia become damaged, destroyed, lost, or stolen during transit, the Shipper or Carrier shall immediately notify the Commissioner.

(2) The Shipper or Carrier shall identify the Alcoholic Beverages so far as possible by type, Brand, Brand Label and quantity.

Authority: O.C.G.A. §§ 3-2-6, 3-2-2.

# **SYNOPSIS**

## **RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION**

### **CHAPTER 560-2-5 MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

#### **560-2-5-.05 Correct Labeling; Private Label - Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides that all producers must label all goods handled by them.
- This Rule provides that any private label of any distilled spirit must receive approval from the Commissioner before it may be sold in Georgia.
- This Rule provides for grammatical changes.
- This Rule provides for changes in the Code.
- This Rule was adopted in 1982.

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.05 Correct Brand Labeling; Private Brand  
Label - Manufacturers, Shippers, Importers &  
Brokers.**

(1) All licensed producers are required to correctly label all goods by Brand Label produced by them including the bottles, containers and cases.

(2) The Brand Labels shall all contain alcohol content by volume.

(3) Producers are required to provide a copy of U.S. Alcohol and Tobacco Tax and Trade Bureau Brand Label approval that shall be submitted to the Commissioner along with the request.

(4) Any private Brand Label Alcoholic Beverage to be offered for sale within Georgia must receive prior approval of the Commissioner.

Authority: O.C.G.A. §§ 3-2-2 and 3-4-152.

# **SYNOPSIS**

## **RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION**

### **CHAPTER 560-2-5 MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

#### **560-2-5-.06 Registration of Representatives - Malt Beverages. Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides that any agent, representative, salesperson, or employee of any brewer, manufacturer, importer, producer, or broker must be registered with the State of Georgia before carrying on any activity involving selling, promoting, displaying or advertising of malt beverages.
- Changes to reflect current Code.
- This Rule was adopted in 1982.

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.06 Registration of Representatives -  
Manufacturers, Shippers, Importers & Brokers.**

(1) Every agent, Representative, salesperson, or employee of any brewer, Winery, distillery, Manufacturer, Importer, Shipper, or Broker, shipping or causing to be shipped Alcoholic Beverages into or within Georgia shall register with the Department before carrying on any activity involving the selling, promoting, displaying, or advertising of Alcoholic Beverages.

(2) No person shall be a Representative of a Licensee unless:

(a) The employer has notified the Department of the person's appointment as a Representative;

(b) The Representative has, under oath, completed and filed an application for a permit in the form prescribed by the Commissioner;

(c) The Representative for producers of Distilled Spirits has paid a permit fee of ten dollars (\$10.00), submitted with the application;

1. Fee is to be paid annually by the Representative every year following the year of initial application;

(d) The Representative has received the permit for which the application is made from the Commissioner;

1. The permit shall expire upon notice to the Commissioner by the Manufacturer that it no longer employs the Representative.

(3) It shall be a violation of this Regulation for a Representative of a licensed Manufacturer to:

(a) Engage in any activity that is in violation of the laws or regulations of any federal, state, county, or municipal governing authority or regulatory agency;

(b) Cause Alcoholic Beverages to be delivered to an unlicensed place of business.

(4) A Representative of a licensed Manufacturer violating these regulations may be cited and required to show cause as to why his or her permit should not be suspended or revoked.

Authority: O.C.G.A. §§ 3-2-2, 3-5-27 and 3-5-40.

# **SYNOPSIS**

## **RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION**

### **CHAPTER 560-2-5 MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

#### **560-2-5-.07 Manufacturer Representatives Authorization to Contact Wholesalers and Retailers - Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides for authorization to contact retailers and retail consumptions dealers.
- Changes to reflect current Code.
- This Rule was adopted in 1982.



**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.07 Manufacturer Representatives Authorization  
to Contact Wholesalers and Retailers - Manufacturers,  
Shippers, Importers & Brokers.**

Representatives of a Manufacturer shall be authorized to  
contact Wholesalers and Retailers and Retail Consumption  
Dealers for purposes of carrying on business in Alcoholic  
Beverage in Georgia.

Authority: O.C.G.A. §3-2-2.

# **SYNOPSIS**

## **RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION**

### **CHAPTER 560-2-5 MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

**Substantive changes have been made to this Rule.**

#### **560-2-5-.08 Designation of Sales Territories - Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides the guidelines for the designation of sales territories and any subsequent changes.
- This Rule provides that every broker, manufacturer, and shipper shall name one exclusive distributor in each territory to be the exclusive distributor of that brand of labels.
- This Rule provides for grammatical changes.
- This Rule provides for changes in the Code.
- This Rule was amended in 1987.

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.08 Designation of Sales Territories -  
Manufacturers, Shippers, Importers & Brokers.**

- (1) Every Manufacturer, Shipper, Importer, or Broker shall:
- (a) Submit with his application for license, one U.S. Alcohol and Tobacco Tax and Trade Beverage approved Brand Label for each Brand of Alcoholic Beverage to be shipped for the first time into, or within, Georgia, not to exceed ten (10) Brand Labels;
  - (b) Designate in the application for registration, sales territories for each of its Brands or Brand Labels sold in Georgia;
  - (c) Name one licensed Wholesaler in each territory who shall be the exclusive distributor of such Brand or Brand Label within that territory.
  - (d) Such designations of Wholesalers or Wholesalers' territories shall be initially approved by the Commissioner and shall not be changed nor initially disapproved except for cause, and the Commissioner shall determine cause after a hearing pursuant to these Regulations.
- (2) Every Manufacturer, Shipper, Importer, or Broker desiring to register additional Brands or Brand Labels subsequent to the initial registration of Brands or Brand Labels must:
- (a) Submit such request to the Commissioner thirty (30) days in advance; and as to Distilled Spirits,

1. The applicant shall pay a registration fee in the sum of one hundred dollars (\$100.00) for no more than ten (10) Brand Labels of Distilled Spirits.

2. No producer shall present for registration at any one time more than ten (10) brands of Distilled Spirits.

3. If a producer presents Brand Labels for registration after the initial registration, the registration fee for each additional Brand Label of Distilled Spirits shall be ten dollars (\$10.00) per Brand Label.

4. A fee of ten dollars (\$10.00) for all Brand Labels registered by the producer must be paid annually every year following the year of initial application.

Authority: O.C.G.A. §§ 3-2-2, 3-5-31.

PROPOSED

# **SYNOPSIS**

## **RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION**

### **CHAPTER 560-2-5 MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

**Substantive Changes have been made to this Rule.**

#### **560-2-5-.09 Registering Additional Brand Labels - Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides the guidelines for registering additional brand labels after the initial application.
- This Rule provides for grammatical changes.
- This Rule provides for changes in the Code.
- This Rule was amended in 1987.

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.09 Registering Additional Brand Labels -  
Manufacturers, Shippers, Importers & Brokers.**

(1) Every Manufacturer, Shipper, Importer, or Broker desiring to register additional Brands or Brand Labels subsequent to the initial registration of Brands or Brand Labels must:

(a) Submit such request to the Commissioner thirty (30) days in advance; and as to Distilled Spirits,

1. The applicant shall pay a registration fee in the sum of one hundred dollars (\$100.00) for no more than ten (10) Brand Labels of Distilled Spirits.

2. No producer shall present for registration at any one time more than ten (10) brands of Distilled Spirits.

3. If a producer presents more than ten (10) Brand Labels for registration after the initial registration, the registration fee for each additional Brand Label of Distilled Spirits shall be ten dollars (\$10.00) per Brand Label.

4. A fee of ten dollars (\$10.00) for all Brand Labels registered by the producer must be paid annually every year following the year of initial application.

(2) Should such Brands or Brand Labels have been previously designated to a different Wholesaler, the Manufacturer, Shipper, Importer, or Broker must:

(a) Furnish a copy of the request for the additional designations to the Wholesaler or Wholesaler's previously designated Wholesaler by such Manufacturer, Shipper, or

Broker is such subsequent designations of such subsequent Brands or Brand Labels is to a Wholesaler different from the Wholesalers designated for other Brands or Brand Labels of such Manufacturer, Shipper, or Broker.

1. The initially designated Wholesaler shall have thirty (30) days from receipt of the additional designations from the Manufacturer, Shipper, or Broker in which to object to the Commissioner to such additional Wholesaler designees, and if no such objection is filed with the Commissioner within such thirty (30) days, the right to such objection shall be waived.

i. Objections shall state the specific reasons which form the basis of the objection.

ii. Any Brands or Brand Labels previously registered in Georgia and which have subsequently been withdrawn from distribution for a period less than four (4) years shall be treated in the same manner as additional Brands or Brand Labels and subject to the provisions in this Section.

iii. Any Brands or Brand Labels previously registered in Georgia and which have subsequently been withdrawn from distribution for a period in excess of four (4) years shall be considered as an initial application to register the Brand or Label as provided by this Title and Section (1) of this Regulation.

iv. Any previous Wholesaler filing an objection after the Brand has been withdrawn for the period in excess of four (4) years and an initial application has been filed pursuant to Rule 560-2-5-.08, shall only have the right to a hearing if sufficient documentation is provided to the Department and a determination is made by the Department that a hearing is warranted.

(v) Sufficient documentation should include information showing that the last date upon which the Manufacturer shipped Alcoholic Beverages to the Wholesaler was within the previous four (4) years.

(vi) Maintaining an inventory of the withdrawn Brand and subsequent sales of that Brand to Retailers and/or Retail

Consumption Dealers shall NOT constitute sufficient documentation that a hearing is warranted.

(vii) A Brand is considered withdrawn as of the date of the letter of withdrawal pursuant to Section (12) of this Regulation, from the date of expiration of the Manufacturer's, Shipper's, Importer's, or Broker's license, or date of relinquishment of the license by the Manufacturer, Shipper, Importer, or Broker.

(3) If an objection is filed pursuant to paragraph (1) above within the thirty (30) day period, or upon his own motion, the Commissioner shall set a hearing on such matter and give notice to the initially designated Wholesaler, the proposed designated Wholesaler for additional Brands or Brand Labels, and the Manufacturer, Shipper, or Broker.

(a) If it is determined from the evidence adduced at the hearing that the Brand or Brand Label involved is the same as, or similar to, or is such a modification of, substitution of, upgrade of or extension of a Brand or Brand Label which has already been registered by the Manufacturer, Shipper, or Broker so as to render it unjust or inequitable (without cause being shown) to designate the Brand or Label being so modified, substituted, upgraded or extended; then such request shall be denied;

1. Provided however, that nothing in this Regulation shall be construed to prevent the Manufacturer, Shipper, or Broker from treating the matter as a desire to change Wholesalers, and from proceeding under Regulation 560-2-5-11, either before or after such determination.

(c) Any inventory of the released Brand may no longer be distributed by the Wholesaler as of the date of the letter of release as specified in Rule 560-2-5-10(7).

Authority: O.C.G.A. §§ 3-2-2, 3-5-31.



# **SYNOPSIS**

## **RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION**

### **CHAPTER 560-2-5 MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

**Substantive changes have been made to this Rule.**

#### **560-2-5-.10 Changing Brand or Territory Designations - Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides the guidelines for changing brands or territory designations.
- This Rule provides for grammatical changes.
- This Rule provides for changes in the Code.
- This Rule was amended in 1987.

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.10 Changing Brand or Territory  
Designations - Manufacturers, Shippers,  
Importers & Brokers.**

(1) Any Manufacturer, Shipper, or Broker desiring to change Wholesalers with respect to any Brand or to change the territory of a designated Wholesaler, shall file with the Commissioner, a Notice of Intention containing such of the following information as is applicable:

- (a) Name of each Brand involved;
- (b) Case volume in Georgia for each Brand for the current year and the two previous years;
- (c) Name of the Wholesaler currently distributing each such Brand;
- (d) Name of the proposed new Wholesaler, and proposed scope of his sales territory, if less than or different from that of the currently designated Wholesaler;
- (e) Case volume of all Brands of the proposed new Wholesaler for the current year and the two preceding years;
- (f) Name of all persons, firms or corporations having any financial interest in the proposed new wholesale business;
- (g) Whether or not any person, firm or corporation named in section (f) above has any financial interest in any other business engaged in the sale of Alcoholic Beverages and the extent and nature of such interest together with the name and location thereof; and

(h) A detailed explanation of the specific business reasons for the request to change Wholesalers or to change the territory of a designated Wholesaler.

(2) Business reasons which may be considered by the Commissioner in determining cause for authorizing a change of Wholesalers or to change the territory of a designated Wholesaler include:

(a) A Wholesaler's bankruptcy or serious financial instability, including its failure consistently to pay its debts as they fall due or its failure to meet or maintain any objective standards of capitalization expressly agreed to between the Wholesaler and the Manufacturer, Importer, producer, or Broker, provided such standards are determined by the Commissioner to be reasonable;

(b) A Wholesaler's repeated violation of any provision of federal or state law or regulation whether or not such violation resulted in official action;

(c) A Wholesaler's failure to maintain sales volume of the Brand reasonably consistent with sales volumes of other Wholesalers of that Brand, or a Wholesaler's failure to otherwise promote the product effectively; and

(d) Any other factors relevant to such proposed change and which will aid the Commissioner in determining cause.

(3) At the same time that the original Notice of Intention is filed with the Commissioner, a copy shall be served by the Manufacturer, Importer, producer, or Broker, upon each Wholesaler who may be affected by the proposed changes and a certificate of such service shall accompany the original Notice of Intention filed with the Commissioner.

(4) Within thirty (30) days after the Notice of Intention is filed, any person, including the Commissioner, may interpose written objections thereto. Such written objections, containing reasons therefore, shall be filed in the office of the Commissioner and copies thereof shall be served by the objecting party upon the party proposing the change and

upon all Wholesalers who may be affected by the proposed change.

(a) Upon the request of any party or upon his own motion, the Commissioner shall hold a hearing, after providing due notice to all parties concerned, for the purpose of determining the truth of any matters of fact alleged by any party and determining whether the proposed changes are based upon sufficient cause and are otherwise consistent with the policies set out in Regulation 560-2-5-.09.

(b) No proposed change will be approved:

1. Which will tend to create a monopoly or lessen competition with respect to any type of Alcoholic Beverage or with respect to sales volume generally; or

2. Which is based upon the failure or refusal of a Wholesaler to comply with any demand or request of a Manufacturer, Importer, producer, or Broker which would result in a violation of any provision of federal or state law or regulation.

(c) During the thirty (30) day period, and until the proposed changes have been finally approved by the Commissioner, the party proposing the change shall continue to supply the designated Wholesaler, upon commercially reasonable terms, such reasonable quantities of the Brand involved as the Wholesaler may require.

(5) If no objection is filed to the Notice of Intention as provided in paragraph (3) above, the proposed changes shall stand automatically approved by the Commissioner at the expiration of such thirty (30) day period.

(6) Any Manufacturer, Shipper, Importer, or Broker who obtains or acquires in any manner, the right to sell, ship, or distribute any Brand or Brand Label shall for the purpose of these regulations stand in the place of, and be subject to, all of the rights, privileges, duties and obligations of its predecessor or its predecessors from whom such Brands or Brand Labels were obtained or acquired.

(7) When a Brand is voluntarily released by a Georgia Wholesaler from distribution in Georgia, the Wholesaler must provide a letter of release to the Manufacturer, Shipper, Importer, or Broker on company letterhead, and a copy of the letter must be forwarded by the Wholesaler to the Department within thirty (30) days of the date of the letter.

(a) The date of the letter of release will be considered the date upon which the Brand was withdrawn from distribution;

(b) Letters of release received after the thirty (30) day requirement will not be considered valid, and a new letter must be provided pursuant to the requirements in this Section.

(c) Any inventory of the released Brand may no longer be distributed by the Wholesaler as of the date of the letter of release.

(8) When a Brand is voluntarily withdrawn from distribution in Georgia, the Manufacturer, Shipper, Importer, or Broker must provide a letter of withdrawal to the Wholesaler on company letterhead, and a copy of the letter must be forwarded by the Manufacturer, Shipper, Importer, or Broker, to the Department within thirty (30) days of the date of the letter.

(a) The date of the letter of withdrawal will be considered the date upon which the Brand is withdrawn from distribution.

(b) Letters of withdrawal received after the thirty (30) day requirement will not be considered valid, and a new letter must be provided pursuant to the requirements in this Section.

(c) Any inventory of the withdrawn Brand may still be distributed after receipt of the letter of withdrawal by the Wholesaler.

Authority: O.C.G.A. §§ 3-2-2, 3-5-31.

# **SYNOPSIS**

## **RULES OF DEPARTMENT OF REVENUE ALCOHOL AND TOBACCO DIVISION**

### **CHAPTER 560-2-5 MANUFACTURERS, SHIPPERS, IMPORTERS & BROKERS**

#### **560-2-5-.11 Allocation of Designated Brands - Manufacturers, Shippers, Importers & Brokers.**

- This Rule provides for the allocation and designation of brands to particular retailers or retail consumption dealer.
- This is a new Rule.

**RULES  
OF  
DEPARTMENT OF REVENUE  
ALCOHOL AND TOBACCO DIVISION**

**CHAPTER 560-2-5  
MANUFACTURERS, SHIPPERS, IMPORTERS, &  
BROKERS**

**560-2-5-.11 Allocation of Designated Brands -  
Manufacturers, Shippers, Importers & Brokers.**

(1) Any Manufacturer, Shipper, Importer, or Broker designating Brands for distribution to select Retailers or Retail Consumption Dealers shall not provide more than fifty (50) cases, in total, during a calendar year.

(2) However, designated Brands may be allocated to more than one Retailer or Retail Consumption Dealer.

Authority: O.C.G.A. § 3-2-2.